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FORM 10-Q

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES AND EXCHANGE ACT OF 1934

FOR QUARTER ENDED: MARCH 31, 1992 COMMISSION FILE NUMBER 33-29985-NY

THE FREIGHT CONNECTION, INC.
Exact name of registrant as specified in its charter)

DELAWARE
(State or other jurisdiction of incorporation or organization)

11-2994672
(I.R.S. Employer Identification No.)

12900 Dupont Circle, Tampa, Florida, 33626 (813) 854-1500
Address, including zip codes and telephone number, including area code of registrant's principal executive offices)

RECEIVED
JUL 23 1992

N/A
(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes _____ No __X__ Filed late but now all filed.

APPLICABLE ONLY TO CORPORATE ISSUERS:

The number of the Company's shares of par value $.01 common stock outstanding as of March 31, 1992 was 1,585,000.

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THE FREIGHT CONNECTION, INC.

FORM 10-Q

MARCH 31, 1992

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

(1). Liquidity - some events or trends for 1992 could greatly affect liquidity. The trends could be considered inter-related in that the exercise of "A" and "B" Warrants from the public offering may provide a capital infusion. This would probably only occur if the Company's common stock was trading at levels above the Warrants' exercise price and if, this trading level was extended for a consistent amount of time.

There are currently as of March 31, 1992, $142,274.00 in liquid assets. As of September 30, 1992, there were $63,997.00 in liquid assets.

Currently, there is a limited market for the Company's stock. The Company has filed form 211 with respect to Rule 15C2-11 (a)(5) of the act whereby the stock is listed on the "Pink Sheets" by the National Quotation Bureau. The Company had a net loss for the year ended December 31, 1990 (audited) of $28,324, a loss of $331,708 for the nine months ended September 30, 1991 (audited) and a net loss of $31,108 for the six months ended March 31, 1992.

The Company anticipates using the proceeds of the Warrant exercise to increase its liquidity through; expanding its fastpay programs, the formation of both a truck brokerage and a customs house brokerage operation. The Company has incurred increased expenses in the past year in having new computer systems to better serve its customers designed and the costs associated with the merger and propsed Warrant exercise. The Company believes that when these expenses are completed, the Company's liquidity will increase.

The Company has capital lease obligation of $146,108 as of September 30, 1991, (audited) and $131,245 as of March 31, 1992. The Company's long term debt as of March 31, 1992, is $13,899, therefore the Company does not feel that its debt servicing will negatively affect its liquidity.

The Freight Connection, Inc., currently specializes in door-to-door Intermodal Transportation services. From the proceeds of this offering its plan on expanding into a separate truck brokerage division in order to capitalize on the short-haul and long haul expedited service runs. The company will need to hire trained personnel and join "load posting" computerized services which will allow the Company to post available loads on a nationwide network and to locate trucks in the area of its current business on a daily basis.

The Company also intends to open a Customs House Brokerage operation. Many of the Company's clients import and export shipments on a weekly basis. There has been an expressed need for "one-stop-shopping" when it comes to transportation services and the additions of the Customs House Brokerage operation will allow the Company to handle all of the paperwork necessary to pre-clear shipments for their clients prior to their arrival in the United States. This service will lead to complete door-to-door services throughout the world. As most large corporations are scaling back their transportation departments, the need for specialized services through "outsourcing" becomes more attractive.

There is no guarantee that the Company will be able to implement the new services it anticipates, hire the trained personnel needed or be able to market these services successfully.

The Company has put in place experienced management personnel to increase the Company's sales and to set up agreements for its new operations. The Company however, can not guarantee that its new operations will be successful or profitable or that its existing operation will provide profits to override its current losses.

The Company's general, sell and administrative expenses as of September 30, 1991, were $1,100,435 and $583,986 for the six months ended March 31, 1992. The Company estimates that its 1992 expenses will not increase proportionately with the Company's increased sales. The Company had net sales of $7,912,668 as of September 30, 1991 and $6,379,246 for the six months ended March 31, 1992. Though the Company's sales are expected to increase its costs associated with its general, selling and administrative expenses are not expected to increase proportionately.

THE FREIGHT CONNECTION, INC.

FORM 10-Q

MARCH 31, 1992

Part I - Financial Information

Item 1. Financial Statements

THE FREIGHT CONNECTION, INC.

BALANCE SHEET

ASSETS	March 31, 1992 (Unaudited)	September 30, 1991
Current assets:		
Cash	$ 142,274	$ 63,997
Accounts receivable	1,042,945	1,051,293
Other receivables	78,417	34,415
Total current assets	1,263,636	1,149,705
Property and equipment	579,216	576,748
Less accumulated depreciation	279,464	232,464
	299,752	344,284
Certificates of deposit	60,000	60,000
Deferred offering costs	86,000	53,000
Other assets	44,546	49,580
	$1,753,934	$1,656,569

See accompanying notes to financial statements.

THE FREIGHT CONNECTION, INC.

BALANCE SHEET

LIABILITIES AND STOCKHOLDERS' EQUITY	March 31, 1992 (Unaudited)	September 30, 1991
Current liabilities:		
Cash overdraft	$	$ 73,544
Debenture payable	15,000	15,000
Current maturities of long-term debt	16,667	16,667
Current maturities of capital lease obligations	23,507	26,103
Accounts payable	1,554,652	1,344,378
Accrued expenses	17,535	
Total current liabilities	1,627,361	1,475,692
Long-term debt, less current maturities	13,889	22,222
Long-term capital lease obligations less current maturities	131,245	146,108
	145,134	168,330
Commitments and contingencies		
Stockholders' equity:		
Common stock	1,585	1,585
Additional paid-in capital	321,273	321,273
Retained (deficit)	(341,419)	(310,311)
Total stockholders' equity	(18,561)	12,547
	$1,753,934	$1,656,569

See accompanying notes to financial statements.

THE FREIGHT CONNECTION, INC.

STATEMENT OF OPERATIONS

	Six Months Ended March 31,		Three Months Ended March 31,	
	1992 (Unaudited)	1991 (Unaudited)	1992	1991
Freight income	$6,379,246	$5,805,287	$3,055,710	$2,141,496
Freight expense	5,823,097	5,389,386	2,774,264	1,950,518
Gross profit	556,149	415,901	281,446	190,978
Selling, general and administrative expenses	583,986	632,914	239,204	274,446
Profit (loss) from operations	(27,837)	(217,013)	42,242	(83,468)
Other income (expenses):				
Miscellaneous income	13,986	13,944	12,711	4,009
Interest income	1,482	7,529	886	2,108
Interest expense	(17,239)	(3,000)	(8,867)	(3,000)
Total other income (expenses)	4,229	18,473	4,730	3,117
Net income (loss) before income taxes	(23,608)	(198,540)	46,972	(80,351)
Income taxes	7,500		7,500	
Net income	$ (31,108)	$ (198,540)	$ 39,472	$ (80,351)
Net income (loss) per share	$ (.02)	$ (.13)	$ .03	$ (.05)
Number of shares	1,585,000	1,585,000	1,585,000	1,585,000

See accompanying notes to financial statements.

THE FREIGHT CONNECTION, INC.

STATEMENT OF CASH FLOWS

	Six Months Ended	
	March 31, 1992 (Unaudited)	March 31, 1991 (Unaudited)
Cash flows from operating activities:		
Net income (loss)	$ (31,108)	$(198,540)
Adjustments to reconcile net (loss) to net cash provided by operating activities:		
Depreciation and amortization	47,135	32,500
Stock compensation to underwriter		-
Changes in assets and liabilities:		
Decrease (increase) in:		
Accounts receivable	8,348	210,574
Other receivables	(44,002)	(10,000)
Deposits	4,699	
Restricted cash		(60,000)
Cash overdraft	(73,544)	86,215
Accounts payable	210,274	156,024
Accrued expenses	17,535	(17,560)
Total adjustments	170,654	397,753
Net cash provided by operations	139,537	199,213

See accompanying notes to financial statements.

THE FREIGHT CONNECTION, INC.

STATEMENT OF CASH FLOWS

	Six Months Ended	
	March 31, 1992 (Unaudited)	March 31, 1991 (Unaudited)
Cash flows from investing activities:		
Proceeds from issuance of common stock	$ -	$ -
Purchase of equipment	(2,468)	(60,000)
Net cash used in investing activities	(2,468)	(60,000)
Cash flows from financing activities:		
Payment of:		
Long-term debt	(8,333)	(6,945)
Capital lease obligations	(17,459)	-
Deferred offering costs	(33,000)	(20,000)
Net cash used in financing activities	(58,792)	(26,945)
Net increase in cash	78,277	112,268
Cash, beginning of period	63,997	-
Cash, end of period	$ 142,274	$ 112,268
Supplemental disclosures:		
Cash paid for:		
Interest	$ 16,414	$ 3,000
Noncash activities:		
Purchase of equipment	$ -	$ 229,947

See accompanying notes to financial statements.

THE FREIGHT CONNECTION, INC.

FORM 10-Q

MARCH 31, 1992

Part II.

Item 1. Legal Proceedings

There are currently no known legal proceedings.

Item 2. Changes in Securities

None.

Item 3. Defaults upon Senior Securities

None.

Item 4. Submission of Matters to Vote of Security Holders

None.

Item 5. Other Information

None.

Item 6. Exhibits and Reports on Form 8-K

The Company has filed an 8-K on January 27, 1992, and an 8-K on April 30, 1992, which are incorporated herein by reference.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

THE FREIGHT CONNECTION, INC.

By _____
MICHAEL J. JACKSON, President

Date _____

Pursuant to the requirements of the Securities Exchange Act of 1934 this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By _____
MICHAEL J. JACKSON, President

Date _____

* * *

By _____
JOANN POWERS, Secretary

Date _____

* * *

By _____
FRANCIS A. JACKSON, Treasurer/Director

Date _____

* * *

By _____
H. TERENCE LYONS, Chairman of the Board

Date _____

Supplemental Information to be Furnished with Reports Filed Pursuant to Section 15(d) of the Act by Registrants Which Have Not Registered Securities Pursuant to Section 12 of the Act.

No annual report or proxy material has been sent to security holders.